

# **BUILDING A PATHWAY TO DIGNITY & WORK**

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*ILLINOIS COMMISSION ON THE ELIMINATION OF POVERTY*

## **ANNUAL PROGRESS REPORT**

SEPTEMBER 2011

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## LETTER FROM THE COMMISSION CO-CHAIRS

September 2011

Dear Members of the Illinois General Assembly,

In 2008 the State of Illinois made a commitment to cut extreme poverty in half by 2015 and formed the Illinois Commission on the Elimination of Poverty to create a strategy for meeting this goal. The Commission issued its recommended strategy in *Building a Pathway to Dignity & Work*, a report released in December of 2010. The attached Annual Progress Report fulfills the statutory directive that the Commission report annually on the implementation of its poverty elimination strategy and on progress the state has made toward the 2015 goal.

The Illinois Commission on the Elimination of Poverty is an independent body focused on eliminating poverty in our state in a manner consistent with international human rights standards. As such, the Commission's charge is twofold:

- To create and monitor a specific, substantive, measurable strategic plan for cutting extreme poverty in half by 2015 in Illinois; and
- To offer advice and comment on state matters that may positively or negatively impact the state's goal of ending poverty.

Enclosed you will find an overview of the state's progress toward the implementation of the Commission's poverty elimination strategy. This year we saw devastating state budget cuts and a lack of real solutions for individuals and families experiencing extreme poverty. As a state, we will continue to face tough decisions about our priorities. We urge you to work with us to ensure that our state budget decisions and policy priorities in the coming year will protect the most vulnerable and uphold human rights.

We encourage you to review the attached report and identify ways that you can advance our common goal to reduce extreme poverty and improve the lives of the hundreds of thousands of men, women, and children in our state who are struggling to survive.

Finally, we ask that you always keep in mind that the Illinois Constitution calls on the people of the state to eliminate poverty and inequality. This core outcome is embedded in our foundational document, and we should not lose sight of this attainable goal as we get our financial house in order.

Sincerely,

Rev. Dr. Sid L. Mohn  
Co-Chair, Commission on the Elimination of Poverty  
President, Heartland Alliance for Human Needs & Human Rights

Dr. Toni Irving  
Co-Chair, Commission on the Elimination of Poverty  
Deputy Chief of Staff, Office of the Governor

## INTRODUCTION

The past year has been difficult for individuals and families living in extreme poverty. The Great Recession has destroyed economic stability for millions of Illinois families in the form of massive job loss, cutbacks in hours, the elimination of workers' benefits, skyrocketing foreclosures and bankruptcies, and the eroding value of retirement investments. People who had the least to start with before the recession were hit first, hit hardest, and will recover slowest. Consider, for example, that workers in the lowest income group in Illinois had a 1930's-like unemployment rate of 25.1% in the 2nd quarter of 2011 while workers from higher income groups had a unemployment rate of 7.3%.<sup>1</sup>

At this moment of unprecedented challenges, strong and effective public benefits and human services are crucial to keeping families afloat until recovery reaches Main Street. Long-term economic shifts, which have left millions in low-wage jobs that do not pay family-supporting wages, also point to the need for constant and responsive income supports to help families bridge the gap between what they are paid and what it takes to make ends meet.

Yet the erosion of Illinois' safety net, combined with the effects of the recession, has resulted in a reduction of human services across the state. The implications of substantial service cuts for those experiencing extreme poverty—many of whom rely on state-funded services in their communities to meet their basic needs—will be nothing short of devastating.

In addition to state policymakers passing a state budget with significant cuts to programs and services that support individuals and families experiencing extreme poverty, little progress was made in the last year in advancing substantive policies that will help the state reach the 2015 extreme poverty reduction goal. A number of bills were introduced during the 97<sup>th</sup> General Assembly Session that align with the Poverty Commission's recommendations. Yet, most of those bills failed to gain the support needed to advance out of committee. Without attention to investment in proven poverty reduction interventions, Illinois can expect to see deepening hardship, further entrenchment of social problems, and movement away from the achievable goal of cutting extreme poverty in half.

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<sup>1</sup> Social IMPACT Research Center's analysis of the U.S. Census Bureau's Current Population Survey Basic Survey Public Use Microdata Sample.

The Commission on the Elimination of Poverty recognizes that Illinois will not be able to achieve this goal without collaboration from various levels of government, the private sector, individual citizens, and state policymakers. All of these groups have a role to play; however, the onus is on state policymakers to take a leadership role. For that reason, this annual progress report focuses on state legislative actions that align with or run counter to recommendations in the Commission's Plan. This report provides an overview of the Stage One Recommendations identified in *Building a Pathway to Dignity & Work*<sup>2</sup>, summarizes the action taken over the past year in relation to the recommendations, and evaluates progress or lack thereof.

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<sup>2</sup> Building a Pathway to Dignity & Work, the Commission's Poverty Elimination Strategy, can be accessed online at: <http://www.heartlandalliance.org/poverty/building-a-pathway-to-dignity-work-poverty-elimination-strategy.pdf>.

## MEASURING PROGRESS: INCREASES IN EXTREME POVERTY

The situation is clear: Illinois is moving in the wrong direction when it comes to its goal of halving extreme poverty by 2015. The growth in extreme poverty since 2008 means that efforts to cut extreme poverty must reach over 500,000 people in order to achieve the 2015 goal, up from 300,000 when the effort began. The lack of progress to reduce extreme poverty over this past year means there is even more work to do to address the needs of this growing population in the years ahead.

### A SNAPSHOT OF EXTREME POVERTY

2008 Base Year	2015 Goal	2010 Current Situation	Assessment
607,247	303,624	823,406	216,159 more people are in extreme poverty now than in 2008

### A CLOSER LOOK AT EXTREME POVERTY IN ILLINOIS

#### Extreme Poverty by Race/Ethnicity

While there are more White Non-Hispanic people in extreme poverty, the extreme poverty rates for minorities are higher.

Race/Ethnicity	2010 Current Situation	Percent*
White Non-Hispanic	287,435	3.4%
Black Non-Hispanic	253,030	13.6%
Hispanic	210,487	12.1%

#### Extreme Poverty by Age

Children are disproportionately impacted by extreme poverty.

Age	2010 Current Situation	Percent*
Children (0-17)	322,932	10.2%
Working Age (18-64)	477,008	5.9%
Seniors (65 and over)	23,465	1.5%

### Extreme Poverty by Disability Status

Working-age Illinoisans with a work-limiting disability have much higher rates of extreme poverty than their non-disabled counterparts.

Disability Status (Working Age)	2010 Current Situation	Percent*
With a Work- Limiting Disability	92,272	12.6%
No Work- Limiting Disability	384,737	5.2%

### A Senior, Child, or Working-Age Adult with a Work-Limiting Disability

Over half of all Illinoisans in extreme poverty in Illinois are children, seniors, or working-age people with a work-limiting disability—people who cannot or are not expected to work.

	2010 Current Situation
Unable or Not Expected to Work	438,669
As a % of Those in Extreme Poverty	53.3%

Data Source: Social IMPACT Research Center's analysis of the U.S. Census Bureau's Current Population Survey's Annual Social and Economic Supplement, Microdata. Based on Census Bureau recommendations on proper data use, these estimates are 2-year averages (2008 includes 2007 and 2008; 2010 includes 2009 and 2010) to help smooth out variation due to small sample size. For information on poverty in local Illinois communities, visit [www.heartlandalliance.org/research/current-and-local-data/local-fact-sheets.html](http://www.heartlandalliance.org/research/current-and-local-data/local-fact-sheets.html)

The extreme poverty estimates presented here come from the U.S. Census Bureau's Current Population Survey, Annual Social and Economic Supplement, which was used because there is a tool associated with this data set that allows users to assess poverty with a more comprehensive measure. In future years, this more comprehensive measure of poverty may be used to benchmark Illinois' progress on its poverty reduction goal since the tool has the ability to capture the impact of many of the Commission's recommended policy and programmatic changes.

\*Percent represents the percentage of people in the demographic group who are extremely poor.

## PROGRESS TOWARD STAGE ONE RECOMMENDATIONS

### - INCOME SUPPORTS RECOMMENDATIONS -

**RECOMMENDATION** – Increase the percentage of Temporary Assistance for Needy Families (TANF)-eligible individuals who utilize the program to 30% through targeted outreach, beginning with those families only utilizing SNAP (Supplemental Nutrition Assistance Program).

**RATIONALE** – Many individuals and families who are living in extreme poverty in Illinois are eligible for TANF but do not receive benefits. Increasing the number of TANF-eligible individuals who actually access the program is key to linking individuals into a system that will provide them with the fundamental supports and access to skill-building and work opportunities that will allow them to move beyond TANF eligibility in the future. Adequate funding relative to need and a service delivery infrastructure that is accessible at the local level are key to ensuring those who are eligible receive TANF benefits.

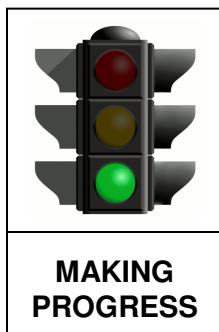


**2011 OUTCOME** – TANF sustained a \$1.9 million (2%) cut in General Revenue Funds and a loss of \$44 million in federal funds that were re-allocated to other purposes in FY12. Since the demand for TANF shows no signs of slackening, the funding gap created by these cuts is cause for great concern. Unless the funding allocated to TANF in FY12 is increased by a mid-year supplemental appropriation or the re-programming of other funds within the Illinois Department of Human Services (IDHS) budget, vulnerable children and families who currently receive TANF may lose the vital assistance that helps them make ends meet. In addition to cuts to TANF benefits and programs, there were deep cuts to personnel and operations within the Illinois Department of Human Services. These cuts place increasing pressure on already inundated IDHS operations at the local level and it is likely that TANF eligible families will have greater difficulty in accessing cash assistance.



**RECOMMENDATION** – Become a 1634 State under the federal Medicaid statute.

**RATIONALE** – This change would allow people with disabilities who are found eligible for Supplemental Security Income (SSI) by the Social Security Administration to be automatically eligible for Medicaid. By establishing this linkage, those with severe disabilities will be able to access the complement of physical and mental health supports needed to allow them to live a life with dignity. This change would also reduce some of the administrative work for the Department of Human Services.



**2011 OUTCOME** – HB1662 requires the Department of Healthcare and Family Services (IDHFS) to conduct an analysis and deliver a report to the General Assembly by January 1, 2012, to evaluate the feasibility of changing Illinois' Medicaid State Plan from its current status to the federal 1634 eligibility determination status for applicable individuals as provided in the Social Security Act. HB1662 was introduced by Representative Patricia Bellock and passed both houses of the General Assembly. The bill was signed into law by the Governor on July 22, 2011 (Public Act 97-0173). The passage of the Affordable Care Act and subsequent efforts to implement healthcare reform in Illinois will have an impact on this recommendation and should be reflected in the analysis and report conducted by IDHFS.

**RECOMMENDATION** – Support the Supplemental Security Income/Social Security Disability Insurance (SSI/SSDI) Outreach, Access and Recovery (SOAR) Initiative in Illinois.

**RATIONALE** – SOAR is a strategy that helps states increase access to SSI/SSDI for people who are homeless or at risk of homelessness and have a disability. Through support and broader implementation of this strategy, the number of eligible individuals who are actually able to enroll in SSI/SSDI will increase, providing them with critical support that will bring them out of extreme poverty.

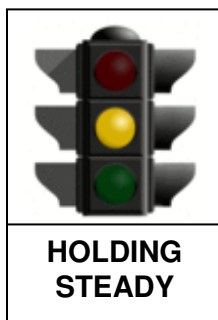


**2011 OUTCOME** – The State of Illinois previously funded some training for service providers for the SOAR initiative, but for fiscal year 2012, there is no funding available.

## **- ACCESS TO WORK RECOMMENDATIONS -**

**RECOMMENDATION** – Adopt statewide “Ban the Box” legislation, which prohibits state job applications from asking if an individual has a criminal background, and use the state’s leadership to encourage and promote the hiring of individuals with criminal backgrounds.

**RATIONALE** – Those re-entering society after incarceration need true opportunity after paying their debt to society. Unfortunately, many employers outright deny employment opportunities to anyone with a criminal record. While reasonable limits need to be in place for certain types of positions, eliminating a litmus test that automatically precludes people with criminal records from being considered for employment in the state would have a dramatic impact on securing gainful employment and reducing recidivism in the correctional system.



**2011 OUTCOME** – HB1210, the “Ban the Box” bill, creates the State Employment Application Act. The bill provides that an application for State employment may not contain any question as to whether the applicant was convicted of or placed on supervision for a non-violent criminal offense but must contain a question as to whether the applicant for State employment has ever been convicted of a violent offense that is classified as a felony. The Act will not prohibit state agencies from conducting criminal background checks of applicants for State employment, as may be necessary for certain types of positions.

HB1210 was introduced by State Representative La Shawn Ford, assigned to the State Government Administration Committee, but action was not taken on the bill prior to necessary legislative deadlines.

*“When someone has paid their debt to society, they should be given a chance. We need to give people an opportunity to work.”*

~Rev. Danny Holliday  
Godfrey, IL

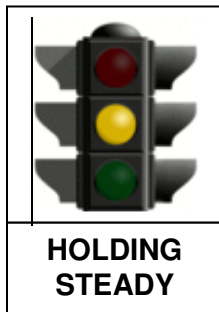
## - CHILD CARE RECOMMENDATIONS -

**RECOMMENDATION** – Permanently eliminate co-pays for Child Care Assistance for families living in extreme poverty.

Other Relevant Recommendations:

- Increase access to affordable child care for all low-income working families, with a special emphasis on those in extreme poverty.

**RATIONALE** – Families receiving state-funded child care assistance are required to pay a co-pay based on monthly income, family size and the number of children in care. Co-pays create an unneeded barrier for households experiencing extreme poverty while engaged in work. The elimination of co-pays will help these families use their limited resources for other needs and better allow them to stay employed.



**2011 OUTCOME** – SB1236 streamlines the child care co-payment scale and aligns Illinois' statute with federal guidelines to waive co-payments for those whose income is at or below the poverty line. The bill simplifies the formula of figuring a co-payment by going to a "family fee" structure (based on family income and family size and on other factors as appropriate). SB1236 was introduced by Senator Toi Hutchinson and passed both houses of the General Assembly. The bill was signed into law by the Governor on August 16, 2011 (Public Act 97-0422).

With the passage of SB1236, IDHS now has the authority to eliminate co-pays for families in extreme poverty. Unfortunately, child care sustained a \$2.8 million or 1% cut in the 2012 fiscal year state budget. Given the cuts to early childhood programs in the state budget as well as the rising child care caseload, it is unlikely that IDHS will use this authority to eliminate co-pays and there is a chance that co-pays could increase again this year.

## STATE BUDGET UPDATE<sup>3</sup>

Individuals and families will be faced with harmful cuts to essential programs and services under the state budget that was passed by the General Assembly and approved by the Governor for the new fiscal year. These cuts come at a time when hardship is deepening and need is growing.

The fiscal year 2012 budget requires state agencies to make cuts of over 6% on average over fiscal year 2011 (excluding pension and debt service expenses). The Illinois Department of Human Services and Department of Education received cuts of 17% and 8% respectively. In addition to programmatic cuts, there were cuts to personnel and operations.

Specific program areas targeted for spending cuts include programs to address homelessness, workforce development, and income assistance programs.

### **Homeless Services** (\$6 million in cuts)

- \$4.7 million (a 52% cut) from Emergency and Transitional Housing Program
- \$915,000 (a 38% cut) from the Homeless Prevention Program

### **Income Assistance Programs** (\$59.6 million in cuts)

- \$12.9 million (a 100% cut, resulting in the elimination of the program ) from Transitional Assistance
- \$1.7 million (a 100% cut, resulting in the elimination of the program) from Child and Family Assistance
- \$45 million (a 32% cut) from Temporary Assistance for Needy Families (TANF)

### **Workforce Programs**

- \$9.2 million (a 54% cut) from Employability Development Services
- \$4.9 million (a 56% cut) from Food Stamp Employment and Training

*"The state has chosen to balance the budget on the backs of the most vulnerable citizens."*

~Aaron Eldridge  
Supportive Housing Providers Association

*"Our budget reflects our values."*

~AJ French  
Belleville, IL

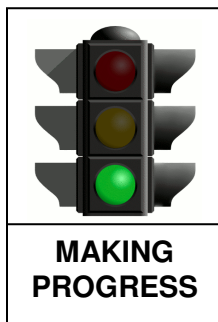
<sup>3</sup> Voices for Illinois Children's Budget & Tax Policy Initiative analysis of the Illinois Department of Human Services, FY2012 GRF Grants in Governor's Budget, House Bill, and Senate Bill.

## OTHER RECOMMENDATIONS WITH POLICY MOVEMENT IN 2011

### - ACCESS TO WORK RECOMMENDATIONS -

**RECOMMENDATION** – Establish a statewide transitional jobs program that will engage 40,000 individuals each year when at full scale.

**RATIONALE** – Access to work is dependent on having real opportunities that meet a person's current barriers and challenges. Transitional jobs are time-limited, wage-paying positions with supportive services that provide those who have been detached from the labor market with the opportunity to build a work history and be successful on the job so they can move to being permanently in the workforce.



**2011 OUTCOME** – HB2927 establishes a subsidized jobs program (subject to appropriations) that provides a 50% wage subsidy to for-profit businesses and a 75% subsidy to nonprofits for workers hired as part of the program. The program would be administered by the Illinois Department of Commerce and Economic Opportunity and overseen by the 21st Century Workforce Development Fund Advisory Committee, and funds would be distributed throughout the state based on a formula

related to the area's unemployment levels. Wages would account for 75% of the funds for the program; the remaining 25% of funds would go to support services and a small percent toward administrative costs. For-profit employers are expected to retain workers at the end of the subsidized period and adhere to an anti-displacement clause. The bill includes a provision for a work incentive demonstration project to explore available resources that could be used in concert with this program for a full transitional jobs program. HB2927 was introduced by Representative Sidney Mathias and passed both houses of the General Assembly. The bill was signed into law by the Governor on August 26, 2011 (Public Act 97-0581).

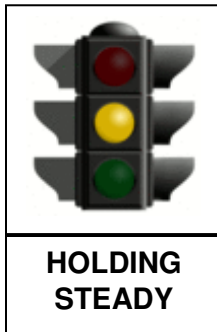
*"We know that employment is a key component to enabling a person to move out of poverty, which makes now an especially critical time for the state to establish a comprehensive transitional jobs program."*

~Steve Simmons  
Chicago Jobs Council

## - INCOME TAX RECOMMENDATIONS -

**RECOMMENDATION** – Triple the state Earned Income Tax Credit (EITC) amount. (The EITC is a refundable income tax credit for low to moderate income working individuals and families. When EITC exceeds the amount of taxes owed, it results in a tax refund to those who claim and qualify for the credit.)

**RATIONALE** – The EITC is a critical work support for low-wage households. Working individuals in extreme poverty could see their Illinois EITC rise from \$200 to \$600 with this change.



**2011 OUTCOME** – HB1947 was introduced by Representative William Davis and was assigned to the Revenue & Finance Committee, but action was not taken on the bill prior to the necessary legislative deadlines. HB 1947 amends the Illinois Income Tax Act by increasing the earned income tax credit from 5% of the federal credit to 10% in 2011, 15% in 2012, and 20% in 2013 and thereafter.

SB0118 was introduced by Senator Martin Sandoval and was assigned to the Revenue Committee, but action was not taken on the bill prior to necessary legislative deadlines. SB 0118 amends the Illinois Income Tax Act by providing that, for taxable years beginning on or after January 1, 2011, the Earned Income Tax Credit will be 20% (instead of 5%) of the federal tax credit.

*“Among low-wealth tax filers eligible for the EITC, 27% (more than 1 in 4) received refund anticipation loans. Free tax preparation is a low-cost strategy to ensure that low-wealth people are receiving the full extent of the tax credits and deductions to which they are entitled.”*

~Tom Feltner  
Woodstock Institute

## - WORK RECOMMENDATIONS -

**RECOMMENDATION** – Eliminate categories of low-wage workers not covered by minimum wage, such as those receiving tips, race track handlers, and sub-age workers (younger than 18).

**RATIONALE** – Many workers in Illinois worked over half the year or year-round and are still experiencing extreme poverty. All workers should be entitled to a minimum wage. Ensuring this basic labor protection will restore dignity for all workers and ensure that individuals who work year-round are not living in extreme poverty.



**2011 OUTCOME** – SB0068 amends the Illinois Human Rights Act to provide that the employment discrimination Article of the Act applies to domestic workers. The bill amends the Minimum Wage Law and provides that the overtime provisions of the law apply to domestic workers. SB0068 was introduced by Senator Ira Silverstein, passed out of the Senate Labor Committee, and failed to pass on the floor of the Senate with a vote of 19 yays, 35 nays, and with one legislator voting present.



**RECOMMENDATION** – Improve workplace compensation by increasing minimum/living wage and benefit standards.

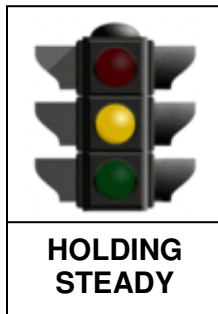
**RATIONALE** – Workers earning minimum wage have trouble meeting their basic needs and minimum-wage workers with children are struggling to provide for their families. The minimum wage should provide workers a minimum standard of living necessary for health and well-being.



**2011 OUTCOME** – SB1565 amends the Minimum Wage Law and provides for fewer limitations on the definition of "employee." The bill provides a procedure for increasing the minimum wage annually to restore the minimum wage to its historic level and thereafter increases the minimum wage by the increase in the cost of living during the preceding year. SB1565 was introduced by Senator Kimberly Lightford. The bill was assigned and held in the Senate Executive Committee, and no further action was taken on the bill. July 1, 2011, marked the first time in 5 years that minimum wage workers did not receive a raise.

**RECOMMENDATION** – Adopt the Illinois Healthy Workplace Act, which allows employees who traditionally do not have a right to paid sick leave (e.g., part-time employees) to accrue sick days.

**RATIONALE** – Everyone gets sick. Sick workers need time to get better and working parents need time to care for their sick children. Yet, the majority of workers in extreme poverty have no paid sick leave at all. Many of these workers are going to work sick or sending their sick children to school because they cannot afford to lose a day's pay.



**2011 OUTCOME** – HB2871 Creates the Healthy Workplace Act which requires an employer to provide an employee up to 7 sick days with pay during each 12-month period. The bill provides that an employee may use sick days to care for physical or mental illness, injury, medical condition, professional medical diagnosis or care, or a medical appointment of the employee or a family member. HB2871 was introduced by Representative Elizabeth Hernandez and was assigned to the House Executive Committee, but no action was taken on the bill prior to necessary legislative deadlines.

A Senate version of the bill, SB0128, was introduced by Senator Martin Sandoval and was assigned to the Senate Labor Committee but no action was taken on the bill prior to the necessary legislative deadlines.

## PUBLIC HEARINGS

The Commission on the Elimination of Poverty held three hearings throughout the state to hear testimony from the public about how the state is doing in its efforts to cut extreme poverty in half by 2015. Over 200 people attended the hearings in Marion, Chicago and Springfield and over 50 people provided written and oral testimony.

The following themes emerged:

### Marion

- **Access to transportation** – The public transportation system in Southern Illinois is inadequate or non-existent in most communities. Without access to reliable and affordable transportation job seekers and workers face significant barriers to obtaining and maintaining employment.
- **Increase in hunger and access to healthy food** – Food insecurity is increasing and food pantries and human service providers are struggling to meet the growing need.
- **Access to affordable housing** – More and more families are doubling or tripling up to stay housed and make ends meet. Multiple families living in one home indicates the lack of affordable housing and jobs.
- **Impact of human services cuts** – Many families who are struggling rely on the programs and services offered by the human services agencies to meet their basic needs. State budget cuts that decrease funding for these vital programs and services mean that fewer people in need will be served and it will be more difficult for individuals and families to move out of poverty.

*“We can’t stop fighting. We are the only ones our clients have. We’ve had to reduce hours, lay off our staff but we can’t lose the spirit of being the voice of those in need.”*

~Cheryl Vanderford, Shawnee Action Council

### Chicago

- **Access to education** – The K-12 public school funding formula in Illinois should be changed to ensure that schools in poor communities do not continue to be under-funded and under-resourced. State funding of public colleges and universities should be increased and funding for financial aid and student support services should increase to ensure that people experiencing poverty have access to higher education.
- **Access to affordable housing** – Criminal background checks should be eliminated in conjunction with housing applications, particularly for public housing. Average rents in Illinois are far in excess of what households in poverty are able to afford. The amount of rental subsidies available to those in extreme poverty should increase and the state should increase investment in permanent supportive housing.
- **Access to healthy food** – Urban community gardens not only provide jobs they increase the availability of healthy food. Resources should be invested in local sustainable agriculture, particularly in high-need communities.

- **Revise school disciplinary policies** – Zero-tolerance policies and overly punitive disciplinary actions are pushing students, particularly minority students out of school at alarming rates. Students should be kept in school if punished, not suspended or expelled.
- **Barriers to accessing services** – Obtaining a birth certificate or other necessary documentation is difficult for individuals who are homeless, particularly for homeless youth. Not having the necessary documentation to obtain an ID or to access services presents a real barrier for those in need of support.
- **Raise the minimum wage** – The minimum wage in Illinois should be raised to a livable wage. It is extremely difficult to make ends meet on \$8.25/hour.
- **Strengthen, streamline and simplify safety net programs** – Policies should be simplified to improve access to programs for those most in need. Safety net programs and housing assistance policies should be better designed to allow individuals to access training programs and/or obtain financial aid to pursue a college education without the loss of income supports.

*“We have homeless youth that are trying to go to college...If you are a full-time college student and if you can’t get a 20-hour-a-week job or you don’t have a baby you lose your food source: your LINK card and your SNAP benefits get cut off. You should not have to choose between a college education and food.” ~Anne Holcomb, H.E.L.L.O.*

### Springfield

- **Increase in hunger and access to healthy food** – Food insecurity is growing and food pantries cannot meet the growing need. The reduction of federal food commodities has hurt local food pantries ability to meet community need and keep up with the growing demand. Food pantries play a vital role but need more support from the federal and state government to address hunger and increase access to healthy food.

*“Most of the people we serve are children and the elderly. These people are innocent. They are suffering the most and have the least ability to do anything about it. These children, they deserve mercy”. ~Mark Tolan, St. Martin de Porres Center Food Bank*

- **Impact of human services cuts** – Cuts to employment and training programs, mental health, disability and homeless service providers have been particularly devastating for people experiencing extreme poverty. The state should reallocate funds for community-based supportive housing to provide cost savings and to ensure the appropriate level of care for individuals with mental health issues.
- **Access to employment & job training programs** – Jobs and job training programs are crucial to helping reduce poverty. With unemployment and poverty rates as high as they are, cuts to employment and training programs are particularly hard felt. The state should provide incentives to businesses that invest in job training and provide jobs for people in extreme poverty.

*“Now is not the time to cut employment and training programs.”  
~Diane Chambers, Experience Works*

## PROPOSED STRATEGIES FOR TURNING THE CURVE

- In implementing “Budgeting for Results,” state policymakers should take into consideration not only whether a particular program investment results in cost savings; they must also consider how that investment impacts poverty reduction. A recent study by the Urban Institute shows that when safety net programs are factored into the poverty rate, the Illinois safety net lifts 8 out of 10 Illinoisans out of extreme poverty.<sup>4</sup> This tangible, substantive outcome is the type of data the General Assembly should take into account, in addition to cost data, when evaluating program impact and determining where to allocate funds.
- Policymakers should re-introduce and pass bills that align with the Commission on the Elimination of Poverty’s recommendations that failed to pass this past legislative session, including “Ban the Box,” the bill to triple the EITC, the Minimum Wage bill, and the Healthy Workplace Act.
- The state should prioritize and invest in proven poverty reduction strategies modeled by national experts at the Urban Institute. According to a forthcoming report, Illinois can reduce extreme poverty if we:
  - Increase the amount of rental subsidies available to those in extreme poverty, including seniors and people with disabilities, through expansion of Illinois’ Rental Housing Support Program.
  - Ensure the state meets or exceeds the goal of expending 10% of its affordable housing development resources on housing for those with extremely low-incomes.
  - Increase comprehensive scholarships to low-income community college students that combine “last dollar” financial aid with student support services, including academic advising, mentoring, and tutoring.
  - Establish a statewide transitional jobs program that will engage 40,000 individuals each year when at full scale.

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<sup>4</sup> Giannarelli, L., Martinez-Schiferl, M., Wheaton, L., & Zedlewski, S. (2001, April 1). *How do States’ Safety Net Policies Affect Poverty?* Urban Institute.

- Increase Temporary Assistance for Needy Families (TANF) grants by 15% each year until they reach 50% of the federal poverty line, thereby moving families out of extreme poverty.

*“The way to do this thing, in my opinion, is to incorporate the people who are being impacted. We have learned over the years that enabling people and giving out this and giving out that and providing this and providing that is never enough unless it is a comprehensive package. If you give someone the chance to go to college, give them the tools that they need to make the commitment. If you don’t, it is a setup for failure.”*

~Helena Bushong  
Chicago, IL

*“People are suffering today. I have friends that are starving today. When you’re starving and your back is up against the wall, what are you supposed to do?”*

~Chris Bufford  
Southwest Youth Collaborative

## CONCLUSION

In 2011 Illinois fell behind in its efforts to cut extreme poverty in half by 2015. Faced with difficult decisions about state budget cuts and policy priorities, policymakers failed to prioritize funding for programs and services and substantive bills that would meet the needs of the most vulnerable. Only by refocusing and reprioritizing in the coming year will our state be able to decrease the number of individuals and families living in extreme poverty.

The Commission on the Elimination of Poverty is focused on ending poverty in Illinois, and it fully recognizes that this feat cannot be accomplished without collaboration with and strong leadership from various levels of government, the private sector, and individual citizens. All of the aforementioned parties have valuable ideas and resources that the state government will need to draw on in order to halve extreme poverty by 2015 and to continue down the path to fully eliminate poverty in Illinois in the future. We can all do more to uphold human rights and eliminate poverty.

*"Did you ever imagine that we would become a society that would drive by one of our own and not stop to see if they have enough food in their belly and a place to sleep? We have a lot to do. We have a lot to change."*

~Lynn Jarman  
Centers for Independent Living

## **ACKNOWLEDGEMENTS**

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## COMMISSION MEMBERSHIP\*

### *Co-chairs:*

**Dr. Toni Irving – Senior Advisor & Deputy Chief of Staff, Office of the Governor**

**Rev. Dr. Sid L. Mohn – President, Heartland Alliance for Human Needs and Human Rights**

### *Elected Officials:*

Michael Frerichs – State Senator

Carole Pankau – State Senator

Sandra Pihos – State Representative

Karen Yarbrough – State Representative

### *Public Members:*

Andy Davis – Executive Director, Illinois Student Assistance Commission

Robyn Gabel – former Executive Director – Illinois Maternal and Child Health Coalition; current State Representative

Michael B. Golden – Co-Founder, Illinois Education Foundation

Jim Hires – Executive Director, Eastern Illinois Food Bank

Catherine Holland – Stone – Hayes Center for Independent Living

Lanita Koster – Member, Illinois State Board of Education

Andy Kulczycki – Executive Director, Community Service Center of Northern Champaign County

**Dwight Lucas – East Central Illinois Community Action Association**

Eithne McMenamin – Associate Director, City Affairs, Chicago Coalition for the Homeless

Cheri Neal Ditzig – Supervisor, Zion Township

Jonathan Perry – Board President, Park Lawn Association

Wendy Pollack – Director, Women's Law & Policy Project, Sargent Shriver National Center on Poverty Law

**Al Riddley – Executive Director, Illinois Coalition for Community Services**

**Dan Schwick – Assistant to the President, Lutheran Social Services of Illinois**

**Maria Whelan – President, Illinois Action for Children**

Diane Williams – President & CEO, Safer Foundation

### *Ex-Officio Members:*

Damon Arnold – Director, Illinois Department of Public Health

Brianna Baker-Carvell – Illinois Department of Corrections

Sheila Chalmers-Currin – Senior Policy Advisor, Office of the Lieutenant Governor, State of Illinois

Michael Gelder – Acting Director, Illinois Department of Aging

Grace Hou – Deputy Secretary, Illinois Department of Human Services

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Amalia Martinez – Illinois Department of Human Rights

Erwin McEwen – Illinois Department of Children and Family Services

Laurie Mikva – Illinois Department of Employment Security

Marisol Morales – Commissioner, Illinois Latino Family Commission

Warren Ribley – Illinois Department of Commerce & Economic Opportunity

Michelle Saddler – Secretary, Illinois Department for Human Services

John Sinsheimer – Illinois Student Assistance Commission

Terry Solomon – Executive Director, Illinois African American Family Commission

\*Steering Committee members are listed in **bold**.

## PUBLIC HEARING TESTIMONY

### *Marion Hearing: August 24, 2011*

Cherie Green

Roxy Cox-Mobley – Wabash Area Development Inc.

Shelly Gillespie – Wabash Area Development Inc.

Christie Willoughby – Wabash Area Development Inc.

Mary McMahan – Union County Counseling

Michael Watkins – Collinsville Area Food Pantry

Cheryl Vanderford – Shawnee Action Council

Donna Reese – Southern Illinois University School of Social Work

Shannon Lucas – AmeriCorp Vista

### *Chicago Hearing: August 31, 2011*

Alesha Russey – Delta Sigma Theta Sorority

John Lloyd

Melvonne Geiger

J. Alabastier

Anne Holcomb – H.E.L.L.O (Homeless Experts Living Life's Obstacles)

Steve Simmons – Chicago Jobs Council

Helena Bushong

Rosazia Grillier – Community Organizing and Family Issues

Filipe Mena – Community Organizing and Family Issues

Ana Jaurez

Debra Thompson – Teamwork Englewood

Josephine McEntee – Teamwork Englewood

Sylvia Thompson – A Safe Haven Foundation

Leroy Bowers – Southerland Community Arts and NAACP Southside

Eric Sparks

Linda Hood

Kathy Waligora – Illinois Maternal & Child Health Coalition

Aaron Eldridge – Supportive Housing Providers Association

Evelyn Moore Jones

Chris Bufford – Southwest Youth Collaborative

Camille Odeh – Southwest Youth Collaborative

### *Springfield Hearing: September 7, 2011*

Robin Murray – Catholic Charities, Decatur

Greg Norris

Mark Tolan – St. Martin de Porres Center

Danny Holliday

Becky Pruden

Kaleigh Friend – Central Illinois Food Bank

Tom Feltner – Woodstock Institute

Tia White – Supportive Housing Providers Association

Bill Kreeb – Lessie Bates Davis Neighborhood House

Jerry Hastenstal

Alyssa Wright

Jennifer Pelate

Sheila Kraft

Katie Crockett  
AJ French  
Jeremy Lincicum  
Lynn Jarman – Center for Independent Living  
Michele McDonnell  
Tabitha Bernhardt  
Diane Chambers – Experience Works

# Media Coverage of the Poverty Commission

## *Media Coverage of Poverty Hearings*

### **Panel hears on poverty in region**

By Stephen Rickerl  
*The Southern*, August 25, 2011

MARION - Members on the governor's commission to cut poverty in half by 2015 heard Wednesday some of the hardships Southern Illinoisans are facing.

The Commission on the Elimination of Poverty had its first of three statewide hearings Wednesday in Marion. Similar hearings will take place in Chicago later this month and Springfield in early September.



Al Riddley, executive director of Illinois Coalition for Community Services and member of the commission, said there are more than 670,000 people in Illinois who live below the extreme poverty line, many of them children.

Riddley said the commission was assigned the task in 2008 of working to eliminate poverty in the state through proposed legislation and action that would address the issue.

He said the hearings are designed to receive input from residents on what the state is doing to address poverty issues.



Photo: Stephen Rickerl / *The Southern*

The recent statistics that we've received show we are losing the battle on the extreme poverty issue," Riddley said. "And with the current financial status of Illinois, to address that through legislation is really difficult because of the reductions in the budget."

"The second quarter of 2011 showed a 1930s depression unemployment rate for those in extreme poverty, it was 25.1 percent as compared to 7.2 in the state."

Riddley said the commission works to ensure support for Temporary Assistance for Needy Families, child care, minimum wage law and other programs.

Southern Illinoisans attending the hearings told the commission about:

Fewer jobs in the region;

Issues of transportation to and from work;

Depleted supplies at food pantries despite more people in need;

Cuts in unemployment assistance;

People losing their homes.

Eithne McMenamin, commission member from the Chicago Coalition for the Homeless, said programs to provide shelter are not just being cut, they are being shut down. She said she doesn't know what the solution is other than continuing to advocate at the state level.

"The budget cuts have hit folks at the bottom of the income spectrum the hardest, human services programs took the brunt of the cuts this year," McMenamin said.

For More: [http://thesouthern.com/news/local/article\\_0c98d932-ced0-11e0-8546-001cc4c03286.html](http://thesouthern.com/news/local/article_0c98d932-ced0-11e0-8546-001cc4c03286.html)

### **Report: Illinois policymakers "falling behind" on poverty reduction**

By Micah Maidenbergl  
*ChicagoNow*, September 1, 2011

Springfield has "fallen behind" when it comes to reducing extreme poverty across Illinois. That's one of the conclusions the Illinois Commission on the Elimination of Poverty reached in a briefing it distributed yesterday at a public hearing in Chicago.

"Faced with difficult decisions about state budget cuts and policy priorities, policymakers failed to prioritize funding for programs and services and [to] advance substantive bills that would meet the needs of the most vulnerable," the brief-

ing says.

For example, funding for the Temporary Assistance for Needy Families welfare program diminished during this last budget cycle, the briefing says, with \$1.9 million cut from TANF and an additional \$44 million in federal TANF dollars redirected elsewhere.

The commission's legislative policy recommendations did not fare much better. The briefing notes no vote was taken in either the House or the Senate about legislation that would have quadrupled the state's Earned Income Tax Credit amount; a bill bumping up the minimum wage failed to move; and the Illinois Healthy Workplace Act, which would allow employees to accrue sick days if he or she does not get them as a benefit, also did not come for a vote in either chamber.

Wendy Pollack, a poverty elimination commission member and director of the Women's Law and Policy Project at the Shriver Center on Poverty Law, said millions of Illinoisans are seeing "crumbling economic stability" in a "very tough year" at the commission's hearing in Englewood last night.

More than 12 percent of all individuals in Illinois live below the federal poverty level, 2009 data from the U.S. Census Bureau shows. An analysis The Chicago Reporter published earlier this year found that 21.6 of Chicagoans live in poverty, with the African Americans and Hispanics suffering the highest rates.



Photo By: Flickr user

The Commission on the Elimination of Poverty was formed in by the Illinois General Assembly in 2008 and set a goal of reducing the number of people in extreme poverty--those whose earnings amount to less than 50 percent of the federal poverty level, about \$11,000 annually for a family of four--by 2015. Around 760,000 people in the state fall into this category.

Besides budgetary and legislative challenges, the vexing economic conditions wrought by the Great Recession and stagnant recovery could make reaching that target difficult.

At the commission's public hearing last night in Englewood, however, a range of suggestions for battling poverty were suggested.

A homeless youth recommended more public bathrooms for people without shelter. Michael Toney, from the Illinois Committee for Black Concerns in Higher Education, said the commission should focus on expanding educational opportunities and moving the state away from relying on property taxes to fund local schools. An ex-offender said former prisoners needed a way to access housing.

"I'm constantly looking, doing what I can, but I'm steady running into a brick wall," he told the commission. "The people who own these buildings don't want to rent to anyone with a background."

Other speakers emphasized the need for entrepreneurship and community development in low-income communities.

"The elimination of poverty and the financial recovery of our communities go hand-in-hand," said Josephine McEntee, an Englewood resident who said she lost a \$60,000 per-year technology job in 2009. "I believe individual empowerment would be a key factor in achieving this goal."

A full commission report on Illinois' poverty policies is due September.

For More: <http://www.chicagonow.com/chicago-muckrakers/2011/09/report-illinois-policymakers-falling-behind-on-poverty-reduction/>

## State regresses in poverty goals

By Rachel Wells

*Illinois Times*, September 22, 2011

For the lowest income group in Illinois, the Great Recession might as well have been another Great Depression. Though 7.3 percent of higher income Illinois workers were unemployed earlier this year, the unemployment rate of lower income workers exceeded 25 percent, according to Illinois' Commission on the Elimination of Poverty.

Those are disturbing statistics, says Al Riddley, executive director of the Illinois

Coalition for Community Services, that, coupled with recent state and federal funding cuts to social services, "calls for a massive redirection."

In 2008, Illinois created the Commission on the Elimination of Poverty, which set its sights on halving Illinois' extreme poverty rate by 2015. With about 607,200 Illinois residents in extreme poverty in 2008, success would mean reducing that number to about 303,600 by 2015. The latest count, however, lists 823,406 Illinois residents as experiencing extreme poverty, which is defined as one person living off of about \$5,415 per year, or a family of four living on about \$11,025 per year.



Photo: *Illinois Times*

The 26 percent increase in extreme poverty from 2008 to 2010 means Illinois is moving in the wrong direction. "The needs continue to rise as the dollars for human services deplete," says Riddley, who is also a member of the poverty commission. "This year, human services took cuts in almost every area – mental health, homeless, transitional jobs."

As part of its work, the commission held a public hearing in Springfield earlier this month, where about 50 advocates and social service clients gathered to express their concerns and share their successes.

Michelle McDonnell, who's been homeless for the past five years, traveled from the Alton area to explain that she found little help for her demographic – formerly middle class with grown children in college, and no history of physical abuse or drug abuse. Diagnosed with manic depressive disorder and panic disorder, McDonnell spent three years trying to get Social Security disability income. Seeking reforms, she told commissioners that she personally knows five people who are abusing the system, wasting taxpayer dollars.

Tabitha Bernhardt, a Chatham resident, explained that she'd never experienced poverty, but said she worries her local food pantry is low on supplies. "Raise our taxes," Bernhardt says. "It's not a popular idea, but for some of us it's a \$10 or \$15 hit – that's a couple trips to Starbucks."

Besides funding, advocates supported changes to Illinois law, several of which are laid out in the commission's annual progress report, to be released this month. Those changes include better income supports, better access to work, better child care assistance, changes to earned income tax credits and improved working conditions, such as rights to sick days and annual increases in the minimum wage.

The state legislature has taken on some of the commission's recommendations, including the establishment of a state-wide transitional jobs program. Gov. Pat Quinn hasn't approved the legislation yet, but if he signs it the state will provide 50 to 75 percent of wages for up to 40,000 people. Legislators also approved a measure requiring state agencies to evaluate the feasibility of switching to a system where the disabled who receive Supplemental Security Income are automatically eligible for Medicaid.

In other areas, however, the state hasn't moved forward at all. Despite a recommendation to invest more in the SOAR Initiative (Supplemental Security Income/Social Security Disability Insurance Outreach, Access and Recovery), Illinois is not providing any training funds this fiscal year. Another recommendation called for increasing eligibility for the welfare program Temporary Assistance for Needy Families (TANF), which experienced a \$1.9 million state budget cut and a \$44 million federal budget cut, according to the commission's draft 2011 progress report.

Acknowledging Illinois' fiscal challenges, Dr. Damon Arnold, director of the Illinois Department of Public Health, says the legislature needs to invest more money staving off problems that if allowed to grow only cost the state more in the end. He says people need to realize that poverty is "not someone else's problem. It's all of our problem."

For More: <http://www.illinoistimes.com/Springfield/article-9133-state-regresses-in-poverty-goals.html>

## Other Article:

Public hearing in Marion to discuss state poverty reduction goals

By Amber Ruch

KFVS 12, August 24, 2011

<http://williamson.kfvs12.com/news/events/48731-public-hearing-marion-discuss-state-poverty-reduction-goals>



## Media Coverage of Commission's Annual Report

### State budget cuts hit the vulnerable

By Sophia Tareen

Associated Press, September 18, 2011

The line now forms before 4 p.m. to get into REST Shelter — a respite from Chicago's streets for those with no place else to go.

Once a 24-hour homeless shelter for more than 100 people, the facility in a dingy old church has had to lay off workers and close during the day as legislators chopped the Department of Human Services budget by hundreds of millions of dollars, including \$4.7 million for homeless services.



Photo: Charles Rex Arbogast / AP

The result is that many of the state's poorest and most vulnerable — REST residents include recovering addicts and the disabled — are left with fewer options and more uncertainty even as census data shows Illinois grappling with its highest poverty rate in nearly two decades as the jobless rate rises.

"It's the programs that serve people who are the most vulnerable that are being hit the hardest," said Eithne McMenamin, associate director of the Chicago Coalition for the Homeless. "That's only going to exacerbate the problem."



Photo: Charles Rex Arbogast / AP

which translated into a cut of around 10 positions — mostly minimum wage jobs. It also means the doors are closed from 8 a.m. to 4 p.m., a time when residents used to meet with caseworkers or just get away from the elements.

That means resident Heather McGuire, who has chronic back pain, takes fibromyalgia medication and walks with a

cane even for short distances, has to find a place to go during the day. So far, the 38-year-old, who has no income, has spent some days at a women's center, but weekends are difficult.

"Sometimes I go to a park, even though it's not the safest thing," she said. "Wintertime, we don't know what's going to happen."

Overall, the Department of Human Services' budget has been cut by \$669.3 million, a full 17 percent drop. Services feeling the pinch include addiction treatment, which was slashed from \$63.5 million to \$46.6 million, and the budget for the Department of Children and Family Services, which was cut by \$24.5 million, or about 12.5 percent.



Photo: Charles Rex Arbogast / AP

When legislators meet next month, they may decide to shift some of the money around. But Gov. Pat Quinn's administration says the state took a step backward in its safety net services.

"The governor is looking strategically to reallocate resources through the General Assembly," said Toni Irving, deputy chief of staff. "It's a difficult situation. You have a grocery list that has \$40 worth of things on it and you've been given \$10."

Irving is co-chair of the Illinois Commission on the Elimination of Poverty. The group's goal is to reduce the number of those living in extreme poverty in half by 2015, but it laid out its fears in a report this month that the state could go in the other direction.

"This year we saw devastating state budget cuts and a lack of real solutions for individuals and families experiencing extreme poverty," the report said. "Illinois can expect to see deepening hardship, further entrenchment of social problems, and movement away from the achievable goal of cutting extreme poverty in half."

The latest census figures show a state

poverty rate of 14.1 percent — about 1.8 million of Illinois' 12.8 million residents. It's the highest rate since 1992, when it was 15.6 percent, and has been climbing steadily for three years. Poverty is defined as a family that survives on around \$22,000 annually. Extreme poverty is half that amount.

Measuring the number of homeless people is tricky and estimates vary; advocates say there's a stigma attached to being homeless and many don't allow themselves to be counted.

But on any given night, more than 14,000 people in Illinois are homeless, according to a January report by the National Alliance to End Homelessness. Advocates say more than half are in Chicago.

For More: <http://www.suntimes.com/business/7701641-420/state-budget-cuts-hit-the-vulnerable.html>

This Associated Press article was picked up by other media outlets including the following:

- *BusinessWeek*: <http://www.businessweek.com/ap/financialnews/D9PPRVQ80.htm>
- *Connecticut Post*: <http://www.ctpost.com/news/article/Illinois-poverty-growing-as-state-help-shrinking-2174556.php>
- *Forbes*: [http://www.forbes.com/feeds/ap/2011/09/16/general-il-illinois-budget-poverty\\_8684657.html](http://www.forbes.com/feeds/ap/2011/09/16/general-il-illinois-budget-poverty_8684657.html)
- *Times Union*: <http://www.timesunion.com/news/article/Illinois-poverty-growing-as-state-help-shrinking-2174556.php>
- *Washington Examiner*: <http://washingtonexaminer.com/news/2011/09/illinois-poverty-growing-state-help-shrinking>